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File No. Money Lenders II 51 (N)

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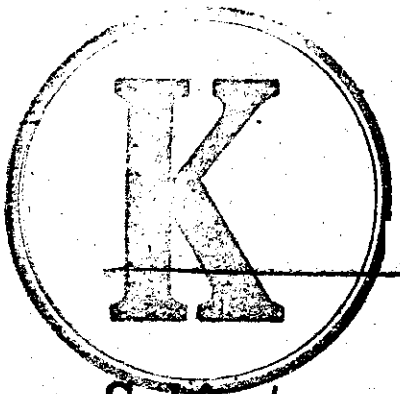

Legal Department
B BRANCH

Subject:— Notifications under the Bombay Money Lender Act, 1946.

File No. Money Lenders II/51 (N)

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Office of the I.L.A.

The view taken by Assistant Secretary, Development Department is correct.

2. Clause 11 of I.L.A. Bill No. XXIII of 1951, even when the Bill receives the assent and becomes law, would not affect the operation of rates of interest fixed under Government Notification, Revenue Department, No. 6314/45, dated the 27th December 1947, until these rates are altered by Government.

Sd/-

Remembrancer of Legal Affairs.

U.O. to I.L.A. No. 5587, dated the 6th April 1951.

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A revised draft notification is sent herewith.

2. In view of the deletion of the proviso to sub-section (1) of section 25 of the Bombay Moneylenders Act, 1946, there is no restriction on the maximum rates of interest which Government may fix under the said section. There will, therefore, be no objection to specifying the rate of interest as provided in the proviso in the draft notification.

Sd/-

Remembrancer of Legal Affairs.

U.P. to L.L. No. 16764, dated the 22nd October 1951.

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NOTIFICATION.

Development Department,

Bombay Castle, October 1951.

Bombay Money-Lenders Act, 1946.

No. In exercise of the powers conferred by sub-section (1) of section 25 of the Bombay Money-Lenders Act, 1946 (Bom. XXXI of 1947), and in supersession of Government Notification, Revenue Department, No. 6514/45, dated the 27th December 1947, the Government of Bombay is pleased to fix the following maximum rates of interest for all classes of business of money-lending for the whole State, namely:-

(1) nine per cent. per annum in respect of secured loans;

(2) twelve per cent. per annum in respect of unsecured loans;

Provided that if in respect of any loan advanced by a money-lender to a debtor during any year the total amount of interest payable thereon is less than one rupee, it shall be lawful for the money-lender to charge to the debtor one rupee by way of interest in respect of such loan.

By order of the Governor of Bombay,

Secretary to Government.

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